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SENATE

{ REPORT  
No. 781

## COMMUNICATIONS ACT OF 1934

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Mr. DILL, from the Committee on Interstate Commerce, submitted the following

### REPORT

[To accompany S. 3285]

The Committee on Interstate Commerce, to whom was referred the bill (S. 3285) to provide for the regulation of interstate and foreign communications by wire or radio, and for other purposes, having considered the same, report the same with amendments and, as amended, recommend the bill do pass.

The purpose of this bill is to create a communications commission with regulatory power over all forms of electrical communication, whether by telephone, telegraph, cable, or radio. Under the Radio Act of 1927, the Radio Commission licenses radio stations. Since 1910 the Interstate Commerce Commission has had some jurisdiction over telephone, telegraph, and wireless common carriers. Likewise the Postmaster General has certain jurisdiction over these companies. There is a vital need for one commission with unified jurisdiction over all of these methods of communication.

The original bill (S. 2910) was the subject of extensive public hearings. Following those hearings a subcommittee considered that bill in detail. Attorneys from the Interstate Commerce Commission, the Radio Commission, and the State Department assisted the subcommittee. The subcommittee made many tentative changes. Those changes were written into the new bill, S. 3285. This bill was considered in detail by the full committee and is the subject of this report.

In originally framing the bill two courses were open. One was to prepare a detailed and practicable bill which incorporated all legislation pertinent to the subject. The other was to draft a short bill creating the Commission and delegating to it by reference the powers now vested in the Radio Commission, the Interstate Commerce Commission, and the Postmaster General.

While this latter course would seem at first thought a simpler legislative method, it has many administrative obstacles from the viewpoint of effective regulation by the Commission to be created.

The Interstate Commerce Act has evolved during a period of nearly 50 years with the emphasis primarily on transportation by railroad. The Interstate Commerce Act and legislation supplemental thereto is contained in a publication of 242 pages, plus a 59-page supplement. Congress gave the Interstate Commerce Commission jurisdiction over communications only incidentally beginning in 1910, by a series of amendments of certain provisions of that act.

This bill is so written as to enact the powers which the Interstate Commerce Commission and the Radio Commission now exercise over communications, by means of definite statutory provisions. This is preferable to leaving the Commission in doubt as to its powers by reference to general legislation primarily designed for railroads. There are certain inherent weaknesses in the present Interstate Commerce Act so far as it applies to communication companies, and these weaknesses would continue if this legislation simply transferred the powers of the Interstate Commerce Commission to this Commission. In addition, certain provisions of the Radio Act are no longer applicable to radio regulation.

In this bill many provisions are copied verbatim from the Interstate Commerce Act because they apply directly to communication companies doing a common carrier business, but in some paragraphs the language is simplified and clarified. These variances or departures from the text of the Interstate Commerce Act are made for the purpose of clarification in their application to communications, rather than as a manifestation of congressional intent to attain a different objective.

Under existing provisions of the Interstate Commerce Act the regulation of the telephone monopoly has been practically nil. This vast monopoly which so immediately serves the needs of the people in their daily and social life must be effectively regulated. No Government organization can provide such regulation without a full knowledge of the contractual relations between the parent, subsidiary, and affiliated corporations engaged in the telephone, telegraph, and cable business.

It may be found necessary to give the Commission power to void or modify the contracts between these corporations. For these reasons section 215 of the bill specifically directs the Commission to investigate and report its recommendations to Congress on this subject and also as to the need of legislation to control leased lines.

The bill further expressly directs the Commission to make recommendations for such amendments as it may think desirable to be sent to Congress on or before February 1, 1935. It also expressly directs the Commission to investigate certain important phases of the communications business and report its recommendations to Congress. These investigations are provided for in the following sections:

Section 220. Desirability of permitting State regulation of systems of accounts and rates of depreciation charges; and

Section 307 (c). Study of proposal that Congress by statute allocate a fixed percentage of broadcasting facilities for nonprofit programs, such as educational, religious, fraternal, labor, and charitable purposes.

It is believed that a study of these questions and reports to Congress will be quite helpful in framing future legislation directly affecting the regulation of the communication business.

## ANALYSIS OF BILL

### TITLE I. GENERAL PROVISIONS

Section 1: Declares the policy of Congress, assuring an adequate communication system for this country and creates the Federal Communications Commission.

Section 2: Provides that the act is applicable to the regulation of all radio stations and to interstate and foreign communication, but reserves to the States exclusive jurisdiction over intrastate telephone and telegraph communication.

Section 3: Contains the definitions. Most of these are taken from the Radio Act, the Interstate Commerce Act, and international conventions.

Section 4: Provides for a bipartisan commission of five members with terms of 6 years at an annual salary of \$10,000.

Section 5: Divides the Commission into two divisions: The Radio Division, and the Telegraph and Telephone Division. The chairman of the Commission, to be designated by the President, is made a member of both divisions.

One reason for this statutory division is a desire to achieve effective regulation of the telephone and telegraph business. Experience has shown that commercial broadcasting takes the attention of all of the members of the Radio Commission. Railroads and other transportation take most of the attention of the Interstate Commerce Commission. Your committee believes that unless the law provides a clear division of powers, broadcasting problems being so numerous, the Commission would give most of its attention to radio and neglect the problems of telephone and telegraph regulation. The study and regulation of the telephone and telegraph business must be a full-time task if it is to be effective.

The recent preliminary report on communication companies by Commissioner Walter M. W. Splawn, made to the House Committee on Interstate and Foreign Commerce, bears eloquent witness to the need of a most complete study and for real regulation.

Except in certain instances, enumerated in section 5, each division will act independently of the other, nor shall the full Commission review the action of a division. It should be emphasized that for all purposes the action of either division with respect to matters under its jurisdiction is the action of the Commission; in other words, for such purposes the division is the Commission.

### TITLE II. COMMON CARRIERS

This title sets forth the duties and obligations of common carriers engaged in communication service and the powers of the Commission relating thereto. For the most part it follows provisions of the Interstate Commerce Act now applicable to communications or adapts some provisions of that act now applicable only to transportation.

Section 201 (a) requires carriers to furnish service upon reasonable request and to establish with other carriers physical connections, through routes, through rates, and divisions of through rates. It is adapted from section 1 (4) of the Interstate Commerce Act.

Section 201 (b) requires reasonable charges, and limits the contracts for exchange of services between carriers to such contracts as the Commission deems "not contrary to the public interest." It is adapted from section 1 (5) and (6) of the Interstate Commerce Act.

Section 202 combines sections 2 and 3 (1) of the Interstate Commerce Act, making unjust discrimination and undue preference unlawful. The committee recommends amendments by inserting the word "unjustly" after the word "discriminate" and by changing the words "such communication service" to "like communication service." These amendments will make the language more nearly conform to the Interstate Commerce Act.

Section 203 (a) adapts section 6 (1) and (6) of the Interstate Commerce Act to communications. It requires publication and filing of schedules of charges, classifications, regulations, and practices. Subsections (b), (c), (d), and (e) are all copied from section 6, paragraphs (3), (7), (9), and (10), respectively, of the Interstate Commerce Act.

Section 204 authorizes suspension and investigation of proposed changes in such schedules. It is adapted from section 15 (7) of the Interstate Commerce Act so as to apply to communications.

Section 205 follows sections 15 (1) and 16 (8) of the Interstate Commerce Act, but does not apply to minimum charges of communication companies. It reduces forfeiture from \$5,000 for each offense to \$1,000 for each offense for violation of the Commission's orders.

Sections 206, 207, 208, and 209 are the present law in sections 8, 9, 13 (1), and (2); and 16 (1) of the Interstate Commerce Act, and deal, respectively, with liability for damages, complaints, reparation, and orders for payment of money.

Section 210 permits railroads and communication companies to continue to exchange services, franks, and passes under rules prescribed by the Commission. It adapts the language of section 1 (7) of the Interstate Commerce Act.

Section 211 requires filing of all contracts between carriers engaged in the communication business and between communication companies and other common carriers not covered by this bill. It changes the language of section 6 (5) of the Interstate Commerce Act to apply to carriers under both acts.

Section 212 follows the text of section 20a (12) of the Interstate Commerce Act and extends the prohibition against interlocking directorates to communication carriers. It also prohibits any officer or director of a carrier from profiting out of the funds of the capital account. The necessity for regulation of these matters is well exemplified by Commissioner Splawn's report previously mentioned in which he states at page XX:

The president of this company (Associated Telephone Investment Co.) before the receivership used his authority as president to (a) make loans, with A.T.I. funds, to outside companies with which he was connected as officer or director; (b) borrow stock from A.T.I. which stock was pledged by himself and a vice president of A.T.U. and A.T.I. as collateral to private loans; and (c) advance A.T.I. funds to a vice president of the company for use in maintaining private brokerage accounts.

Section 213 differs in some respects from the valuation provisions of section 19a of the Interstate Commerce Act. Except with respect to annual reports of improvements and retirements, the bill is permissive whereas the Interstate Commerce Act is mandatory. The bill omits the detailed requirements of the act for ascertainment and report of various elements of value and does not repeat the elaborate procedural provisions of the act relating to determination of tentative and final valuation. The Interstate Commerce Commission shall, upon request of the Communications Commission, complete the valuations now in progress of the property of communication carriers.

Section 214 requires certificates of public convenience and necessity for extension or construction of new interstate lines. It is similar to section 1 (18-22) of the Interstate Commerce Act relating to construction. It provides for certain exceptions and your committee recommends subsection (a) be amended by inserting the words "or the supplementing of existing facilities" so that repairs, replacements, and the stringing of additional wires may be exempted also.

Section 215 authorizes the Commission to investigate and report to Congress regarding the need of legislation to control interservice contracts between holding, subsidiary, and affiliated companies and concerning the need of further legislation relating to leased-wire services.

Section 216 makes the bill applicable to receivers and trustees of carriers. A similar provision is in the Interstate Commerce Act.

Section 217 provides that the carriers shall be liable for the acts and omissions of its agents and is copied from the Elkins Act.

Section 218 is based on section 12 (1) of the Interstate Commerce Act and makes it the duty of the Commission to keep itself informed of the conduct of the carriers' business and also of new developments in the art of communication.

Section 219 is based on section 20 (1) and (2) of the Interstate Commerce Act, but also requires annual reports of affiliates of carriers as well as of carriers and requires that all reports shall include statement of the privileges of each class of stock, the names of all holders of 5 percent or more of any class of stock, and the names of all officers and directors and the amount of salary, bonus, and all other compensation paid to each.

Section 220 (a-g) is taken from section 20 (5-8) of the Interstate Commerce Act dealing with accounts, records, and memoranda. It also adds the new provisions found in subsections (h), (i), and (j). Subsections (h) and (i) reflect the present practice of the Interstate Commerce Commission. Subsection (j) is responsive to the recommendations of the State public utilities commissions, except that it calls for investigation and report to Congress instead of immediately turning over these matters to the State.

Section 221 (a) permits mergers of telephone companies and is copied verbatim from section 5 (18) of the Interstate Commerce Act. Paragraphs (b), (c), and (d) conform to recommendations of the State commissions and will enable those commissions, where authorized to do so, to regulate exchange services in metropolitan areas overlapping State lines:

## TITLE III. SPECIAL PROVISIONS RELATING TO RADIO

Title III consists of the Radio Act of 1927 written to bring into a single title the effective provisions of that act and its several amendments. The language has been changed in minor respects to conform to the terms and definitions in the remainder of the bill. Most of the changes from the present Radio Act of 1927 are changes carried in H.R. 7716 of the Seventy-second Congress which passed both Houses of Congress, but failed to become a law because of the failure of President Hoover to sign the bill.

Section 301 is the same as section 1 of the Radio Act.

Section 302 (a) is copied from section 2 of the Radio Act.

Section 302 (b) excludes the territories from the zones for purposes of equal division of radio facilities. This was carried in H.R. 7716.

Section 303 (a-e) combines sections 4 and 5 of the Radio Act with the additions herein noted.

Section 303 (f) requires a public hearing before the Commission may make changes in the frequency, authorized power, or times of operation of any station. It was a part of H.R. 7716.

Section 303 (g) directs the Commission to study new uses for radio and to encourage the more effective use of radio in the public interest.

Section 303 (h-p) is copied from sections 4 and 5 of the Radio Act.

Section 303 (q) requires the painting or illumination of radio towers which constitute a menace to air navigation.

Sections 304, 305, and 306 dealing with waivers, Government-owned stations, and foreign ships are copied from sections 5, 6, and 8, respectively, of the Radio Act.

Section 307 (a) and (b) dealing with allocation of facilities and terms of licenses is section 9 of the Radio Act as modified by the Davis amendment of March 28, 1928 (45 Stat. 373).

Section 307 (b) also authorizes additional licenses for stations not exceeding 100 watts of power regardless of other restrictions in the zone when they will not interfere with the efficient service of other licensed stations. This proviso will permit additional broadcasting service in sections of the country now inadequately served without increasing interference. It was contained in H.R. 7716. The committee eliminated the provision which would restrict cleared channels to 2,200 miles because of its unwillingness to set a statutory limit upon the solution of a technical problem.

Section 307 (c) directs the Commission to study the proposal that Congress by statute allocate fixed percentages of broadcasting facilities to particular types of nonprofit programs or to persons identified with particular kinds of activities. There has been an increasing demand that Congress enter upon a partial statutory allocation of broadcasting facilities, particularly for educational and religious broadcasting.

Section 307 (d) modifies section 9 of the Radio Act by reducing the maximum terms of broadcasting licenses from 3 years to 1 year and for other stations, from 5 years to 3 years. The Radio Commission has limited broadcasting licenses to 6 months in the past and commercial station licenses to 1 year. Reduction of the maximum term of licenses will assist the Government in retaining control over these valuable privileges. This was passed by the Senate and House in H.R. 7716.

Section 308 is copied from section 10 of the Radio Act as modified by H.R. 7716, which adds the requirement that modifications and renewals of licenses may be granted only upon written application. This is the present practice of the Radio Commission. The two provisos permit the Commission to issue temporary licenses in cases of emergency.

Section 309 provides for hearings and is copied from section 11 of the Radio Act.

Section 310, dealing with limitation on foreign holding and transfer of licenses, is adopted from section 12 of the Radio Act as modified by H.R. 7716, with additional limitations as to foreign ownership.

Section 310 (a) (4) modifies the present law by (1) refusing a station license to a company more than one fifth of whose capital stock is owned of record by aliens, and (2) by changing the words "may be voted by aliens" in the present law to "is voted by aliens". The purpose of this is to guard against alien control and not the mere possibility of alien control.

Section 310 (a) (5) seeks to insure the American character of holding companies whose subsidiaries operate under radio licenses granted by the Commission. The provision has been made effective after June 1, 1935, in order to give the companies affected an opportunity to bring their organizations into harmony with the provisions of the paragraph. Whatever apparent objection there might be to one fourth foreign ownership from the standpoint of war or emergency leading to war, becomes less important when it is remembered that the President has full power to seize all radio stations in the United States in case of war or threat of war.

To prohibit a holding company from having any alien representation or ownership whatsoever would probably seriously handicap the operation of those organizations that carry on international communications and have large interests in foreign countries in connection with their international communications. Such a rigid restriction seems unnecessary.)

Section 310 (b) is section 12 of the Radio Act as modified by H.R. 7716, requiring the Commission to secure full information before giving its consent to the transfer of a license.

Section 311 is based on section 13 of the radio act but it also modifies the present law in certain respects.

The effect of the alteration is to bring section 311 more closely into harmony with section 313. If the court revokes a license the Commission should not grant an application for another license to the same parties. If, however, the court has adjudged the person guilty, but has not revoked the license, the Commission can determine whether or not public interest will be served by the granting of a license.

Section 312 is adapted from section 14 of the Radio Act and confers upon the Commission the power to suspend radio licenses. Under the existing law the Commission must revoke a license or permit an offending licensee to go unpunished. This provision would permit the Commission to suspend licenses in cases where some punishment was justified but where revocation would be too harsh. The proviso reduces the time within which the licensee may take exception to the Commission's action in revoking or suspending its license to 15 days. This is sufficient for the licensee to take exception and to request a hearing.

Section 313 dealing with the application of the antitrust laws to radio. It is copied from section 15 of the Radio Act.

Section 314 preserves competition in international communications. It is copied from section 17 of the Radio Act.

Section 315 on facilities for candidates for public office is a considerable enlargement of section 18 of the Radio Act. It is identical with a provision in H.R. 7716, Seventy-second Congress, which was passed by both Houses.

This section extends the requirement of equality of treatment of political candidates to supporters and opponents of candidates, and public questions before the people for a vote. It also prohibits any increased charge for political speeches. No station owner is required to permit the use of his station for any of these purposes but if a station permits one candidate or the supporters or opponents of a candidate, or of a public question upon which the people are to vote, to use its facilities, then there is the requirement of equality of treatment and that no higher rates than ordinary advertising rates shall be charged.

Section 316 was also in H.R. 7716, which both Houses passed. It provides that no person shall broadcast by means of any radio station, for which a license is required by any law of the United States, any information concerning any lottery, gift enterprise, or similar scheme offering prizes dependent in whole or in part upon lot or chance.

Sections 317, 318, 319, 320, 321, 322, 323, and 324 are copied, respectively from the Radio Act, sections 19, 20, 21, 22, 23, 24, 25, and 26. They deal with the following subjects: Announcement that matter is paid for, operation of transmitting apparatus, construction permits, distress signals and communications, intercommunication in mobile service, interference between Government and commercial stations, and the use of minimum power.

Section 325 (a) is copied from section 28 of the Radio Act and prohibits false distress signals. Paragraphs (b) and (c) are designed to give the Commission control of all studios or apparatus in the United States used in connection with a broadcasting station in a foreign country for the purpose of furnishing programs to be transmitted back into the United States. The Radio Commission has recommended such legislation. The Senate passed S. 2660 at the present session of Congress containing this provision.

Section 326 prohibits censorship. It is copied from section 29 of the Radio Act.

Sections 327, 328, and 329 are copied, respectively, from the Radio Act, sections 30, 35, and 36, and deals with the use of naval stations, the Philippine Islands, and Canal Zone, and the administration of the act in the Territories and possessions.

All of the sections of the Radio Act, which have been omitted in title III are what was either temporary legislation, or administrative, penal, and judicial review sections which are considered in titles I, IV, V, and VI.

#### TITLE IV. PROCEDURAL AND ADMINISTRATIVE PROVISIONS

This title contains the applicable procedural and administrative provisions of the Interstate Commerce Act and the Radio Act of 1927.



Section 401 (a-c) is based on sections 20 (9), 16 (12), and 12 (1) of the Interstate Commerce Act. It provides generally for enforcement of the act and of orders of the Commission in the district courts of the United States.

Section 401 (d) extends the Expediting Act (38 Stat. 219), to the orders of the Communications Commission.

Section 402 provides for court review of decisions of the Commission. Under the Interstate Commerce Act all appeals from decisions regarding wire communications can be taken to the district courts under the three-judge court law of October 22, 1913, but appeals from decisions under the radio law can only be taken to the courts of the District of Columbia as provided in the Radio Act.

This system of appeals in radio cases is extremely burdensome to owners of radio stations who live long distances from the District of Columbia. Any station owner finding it necessary to appeal from a decision of the Radio Commission must come to Washington, however great the expense for both himself and his attorney, to file and prosecute the appeal. The expenses incident to repeated trips, added to the regular legal expenses for such appeals, should not be necessary.

Under section 402 (a), the court review now applicable to orders of the Interstate Commerce Commission will apply to suits to enforce, enjoin, set aside, annul, or suspend orders of the Communications Commission, with certain exceptions, so that the special three-judge courts can review them and the appellant can then take his appeal direct to the Supreme Court of the United States.

Under a number of decisions of the Supreme Court, suits to enjoin or set aside orders of the Interstate Commerce Commission as to findings of fact can be disturbed by judicial decree only in cases where the Commission's action has been arbitrary or has transcended the legitimate bounds of the Commission's authority. (See *Seaboard Air Line Ry. Co. v. United States*, 254 U.S. 57, and *I.C.C. v. Louisville & Nashville R. Co.*, 227 U.S. 88.)

By enacting this provision into this bill, the Communications Commission can rely on well-established principles of law already interpreted by the Supreme Court. This method of appeal will apply in the great majority of cases under this act.

Subsection (a) excludes certain orders of the Commission with respect to radio-station licenses from this method of appeal. It provides that orders relating to the granting or refusal of an application for a new radio-station license or for the renewal or modification of a license shall be appealed only to the Court of Appeals of the District of Columbia. The bill then sets out the method of appeal by following section 16 of the Radio Act of 1927, providing for appeals of radio cases in the courts of the District of Columbia.

Stated briefly, the court appeal provisions of this bill ~~transfer the~~ provisions of the present law with respect to injunctive relief and appeal as now found in the Interstate Commerce Act and the Radio Act to this act, with the exception of the three kinds of radio cases referred to above.

Where a licensee desires to appeal from orders of the Commission affecting his interest, but which he did not originate, he may file his appeal in the three-judge district court in the jurisdiction where he lives. In those cases where he has applied to the Commission for an

order and desires to appeal from the Commission's action, he must come to Washington, D.C., to prosecute his appeal, just as he came to Washington to ask for the order.

In fact, appeals from refusals of applications by the Commission could not be prosecuted in the Federal district courts anyhow, and must be prosecuted in the courts of the District of Columbia.

Your committee believes that this appeal section is eminently fair. In nearly all cases in which the Commission makes an order affecting a licensee which the licensee did not seek, the Commission must go to the district court having jurisdiction of such licensee. Where an applicant or a licensee comes to the District of Columbia and applies for an order, he must take his appeal in the courts of the District of Columbia.

Section 403 is adapted from section 13 (2) of the Interstate Commerce Act. It authorizes the Commission to make an investigation upon its own motion of matters concerning which complaint may be made to the Commission.

Section 404 requires the Commission to make written decisions and orders. It is taken from section 14 (1) of the Interstate Commerce Act.

Section 405 is adapted from section 16 (a) of the Interstate Commerce Act with respect to the rehearing of cases.

Section 406 makes section 23 of the Interstate Commerce Act relating to the furnishing of facilities applicable to communications. This remedy is limited to the performance of duties which are so plain and so independent of administrative action by the Commission as not to require a finding by that body (*Baltimore & Ohio R.R. v. United States*, 215 U.S. 481). The Commission alone has jurisdiction to determine whether an existing regulation affecting rates, or any other practice is unreasonable, or unjustly discriminatory, and the courts cannot by mandamus control its exercise of these administrative functions (*Morrisdale Coal Co. v. Penn. R. Co.*, 183 Fed. 929).

Sections 407 and 408 follow sections 16 (2) and 15 (2), respectively, of the Interstate Commerce Act with respect to enforcement of Commission orders.

Section 409 relates to proceedings before the Commission. The section is largely based upon sections 12, 17 (1), 18, 19, and 20 (10) of the Interstate Commerce Act. Examiners and directors, as well as members of the Commission, are authorized to conduct hearings, administer oaths, and issue subpoenas, but the provisions of H.R. 7716, referred to above, are adopted in part, restricting an examiner from hearing certain cases involving policy, the revocation of a station license, or new developments in radio.

Section 410, proposed by the State public utility commissions, authorizes the Commission to refer any matter to a joint board to be composed of members of the State commissions affected. The Commission may confer, as to rates, charges, practices, classifications, and regulations, with any State commission having jurisdiction. It is based in part on section 13 (2) of the Interstate Commerce Act.

Section 411 carries forward provisions of the Elkins Act and of section 16 (4) of the Interstate Commerce Act relating to joinder of parties and payment of money.

Section 412 is based upon section 16 (13) of the Interstate Commerce Act relating to the preservation of schedules of charges, classifications, contracts, and statistics contained in annual reports as public record.

Section 413 requires every common carrier subject to the act to maintain an agent in the District of Columbia for the purpose of service of process and orders of the Commission. It is based on United States Code, title 49, section 50, which applies to the Interstate Commerce Commission.

Section 414 provides that remedies under this act are in addition to remedies afforded by other statutes or by common law. It is copied verbatim from section 22 (1) of the Interstate Commerce Act.

Section 415 limits the time for recovery of unlawful charges or of undercharges. This section shortens the periods of limitation in section 16 (3) of the Interstate Commerce Act.

Section 416 relating to service of orders is adapted from section 16 (5-7) of the Interstate Commerce Act.

#### TITLE V. PENAL PROVISIONS—FORFEITURES

Section 501 combines section 10 (1) of the Interstate Commerce Act and section 33 of the Radio Act. It is the general penalty section for violations of the act.

Section 502 provides penalties for violation of rules and regulations of the Commission. It is copied from section 32 of the Radio Act.

Section 503 provides for forfeitures in cases of rebates and offsets, and follows the provisions of the Elkins Act.

Section 504 provides that forfeitures are payable into the Treasury and recoverable by civil suit. It is based on section 16 (9-10) of the Interstate Commerce Act.

Section 504 relating to venue is taken from section 34 of the Radio Act and the Elkins Act.

#### TITLE VI. MISCELLANEOUS PROVISIONS

Section 601 transfers to the Commission duties, powers, and functions of the Interstate Commerce Commission and the Postmaster General under certain provisions of law (other than the Interstate Commerce Act) not repealed by the bill; while section 602 repeals the Radio Act of 1927, and the provisions of the Interstate Commerce Act relating to communications. The latter section also makes certain changes in other law, including the Clayton Act, made necessary by the setting up of the new commission and conferring upon it jurisdiction over communications.

Section 603 makes necessary transfers of employees, records, property, and appropriations.

Section 604 defines the effect of transfers, repeals, and amendments made by the bill. Generally speaking, it is provided that all orders, regulations, etc., in effect shall continue until changed by the commission, while pending suits and proceedings are not affected.

Section 605, prohibiting unauthorized publication of communications, is based upon section 27 of the Radio Act and extends it to wire communications.

Section 606 gives the President power over wire and radio communications in time of war, and provides for the payment of just compensation for facilities taken over by him. The section also makes it unlawful in time of war to obstruct or retard interstate or foreign radio communication. It is adapted from the section 6 and 7 of the Radio Act, and the war powers granted by act of Congress of August 10, 1917 (40 Stat. 272).

Sections 607, 608, and 609, respectively, contain the effective date, separability clause, and the short title.